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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 04434-84
1 August 1984

AH. ER 84-30694/1

MEMORANDUM FOR THE RECORD

SUBJECT: 30 July 1984 SIG-IEP Meeting on Extraterritoriality

1. On 30 July [] DDI/EURA, and I attended a SIG-IEP meeting on Extraterritoriality. The meeting, which was chaired by Secretary Regan, approved, subject to some minor revisions in wording, the Draft Report on this issue prepared by the Under Secretaries group. Once the revisions have been made, telephonic concurrence is to be obtained and the Report will be forwarded to the President.

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2. The Report provides for consultation with the Secretary of State or his representative by other US Government agencies in cases involving application of US laws to foreign jurisdictions which could create significant problems for US foreign relations. It also provides for informal notification of and consultation with foreign governments on such matters and for sympathetic consideration of their problems. The provisions for consultation are carefully hedged to exclude activities covered by existing agreements and procedures, including routine export control decisions, arrangements with foreign law enforcement authorities, etc.

3. State and Justice emphasized that the proposals in no way restrict any of the existing authorities of US Government departments and agencies. The purpose of the exercise is to give concerned foreign governments, especially the British, with whom we are negotiating bilaterally on this issue, some tangible indication of US interest without binding our future policy decisions in any way. The US had already agreed to a general statement on extraterritoriality in the OECD. According to State, acceptance of the OECD statement was the minimum step the US could have taken to politically defuse the extraterritoriality issue and consequently to keep it from becoming a source of friction at the recent economic summit. The US proposals for notification of and consultation with foreign governments goes no further than the OECD statement.

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4. It is highly unlikely that the proposed US actions on extraterritoriality could in any way constrain CIA or Intelligence Community activities. The following caveats from the Report appear pertinent:

- The requirement for consultation "as a general rule would not include such matters as: action taken under established working arrangements with the competent authorities of foreign governments;...actions taken by officers stationed abroad within established country-team arrangements with the foreign government concerned...."
- "Meaningful coordination [with the Department of State] may be limited or precluded, in certain cases, by: ...the need to avoid disclosures which might prejudice...investigation or sensitive sources and methods."

5. Richard Perle, who represented DoD, did not object to the proposal, except for a few wording changes which were approved. He had expressed concerns about an earlier draft, but appeared to accept the prevailing view that the proposed actions would not restrict DoD's freedom of action.



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